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SUBJECT: UKRAINE: BYUT CONGRESS--NATIONALIST WRAPPINGS, BUT POPULIST UNDERPINNINGS

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Classified By: Political Counselor Kent Logsdon for reasons 1.4(b,d).

¶1. (C) Summary. In a congress that emphasized Ukrainian nationalism and loyalty to Tymoshenko, the diminutive opposition leader presented her detailed program for the country's future, "the Ukrainian Breakthrough." In a 75-minute speech, Tymoshenko laid out her ideas for everything from increasing funding for sciences and education to nationalized medicine to judicial reform. She also said there will be no grand coalition with Our Ukraine and Regions, because she will not unite with "criminals." Other BYuT speakers called for economic and judicial reform and European integration, but few offered specific ideas. The congress was the formal introduction of the Party of Reforms and Order (PRP) into BYuT, although PRP party leader, former Finance Minister Viktor Pynzenyk, has been an ally of Tymoshenko's since he served in her government in 2005. The president of the conservative European People's Party gave the same strongly pro-opposition speech he gave at the Our Ukraine-PSD congress and welcomed BYuT as a new observer in the party. The party list is similar to 2006, with the biggest change the top ten placements of bloc newcomers Pynzenyk and former Socialist and key Tymoshenko ally Iosip Vinskiy. In private, MP Andriy Shevchenko, number five on the new list, told Ambassador that the bloc was studying its polling numbers--it was gaining on Our Ukraine in the west, but starting to flag in parts of the center. He also said that he thought it was possible that Yushchenko would choose a coalition with Regions in the end--to try to unite Ukraine--even in if the opposition wins 226 seats.

¶2. (C) Comment. Despite the new "nationalism" theme and BYuT's decision to join a conservative European movement (rather than the Socialist International), very little has changed in the bloc. Tymoshenko is still the lifeblood of the movement, as evidenced by the thunderous applause she received and everyone wearing clothes with her name on them. The BYuT party list is the least changed out of any of the big three in comparison to 2006. And her speech was as full as populist and left-center slogans as ever, regardless of what Shevchenko told us about her change in personal ideology. Shevchenko's comments underscore what we have also heard from OU leaders -- the two blocs are targeting the same voters and will end up competing more against each than trying to beat Regions or to woo disillusioned Socialist voters. This strategy could have the unintended consequence of lowering the total number of votes the opposition gets, because they will not be trying to find new supporters to come out and vote. End summary and comment.

Atmospherics: Nationalism and "We Love Yuliya" T-shirts

¶3. (C) The August 4 BYuT congress emphasized Ukrainian nationalism--Tymoshenko was in full traditional (albeit stylish) peasant gear, folk singers performed, and Tymoshenko talked much more about Ukrainian culture and history than did anyone at the OU-PSD congress. The vibe suggested that her bloc is trying to position themselves as the new nationalist party. They also held a long tribute for retiring BYuT MP and former dissident, Lev Lukyanenko, one of the few political prisoners to be given a death sentence in the post-Stalin era. The delegates were a sea of white -- all wearing BYuT gear--t-shirts, baseball hats, tank tops, kerchiefs. Organizationally, however, the BYuT congress shared more in common with Regions than with OU--endless speeches and no one actually counting votes, the assumption being that there was unanimity on every motion made, although we saw dissenters try to vote against on at least one occasion.

Tymoshenko: Ukraine Needs a Breakthrough

¶4. (SBU) At an hour and fifteen minutes, Tymoshenko's speech was the most detailed and well-thought out platform agenda of any of the presentations at the major congresses. Her campaign slogan is "The Ukrainian Breakthrough" and she outlined the "breakthroughs" that Ukraine must make. A "constitutional breakthrough" included a pledge to hold a referendum on the concepts of a new constitution on September 30 (note: considered by most to be impossible to do), hold an assembly to put the new constitution together, and hold a second referendum on the entire constitution next year. In her "judicial breakthrough" she advocated popularly electing judges, decreasing executive branch power over the judiciary, and helping average people be able to afford to go to court if they need to. An "information breakthrough" focused on the importance of media having more influence over government and the need for new laws to protect journalists.

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Tymoshenko's "anti-corruption breakthrough" would give more power to the political opposition and provide more stringent punishments for officials caught in corruption (including life sentences, which drew loud applause). Ukraine needs a "demographic breakthrough," she argued, including guaranteed access to medicine for all, financial assistance for young parents to increase the birthrate, and more government help for families. An "intellectual breakthrough" would be based on allocating more state money for science. There was a connection between the "transportation" and "energy" breakthroughs because Ukraine must improve its ports and without new investment in these two areas, Ukraine cannot do anything. Tymoshenko called for an "investment breakthrough" that included creating an investment ombudsman and zones of development-investment in depressed areas. As part of the "agricultural breakthrough" she called for making the agricultural sector run more like a business, producing higher quality goods, uniting the government and investors, and establishing a land market and agricultural goods market.

¶5. (SBU) In addition to her program, Tymoshenko said that the opposition had fought for new elections, persevered, and won--the "mafia" will not win again. Corruption had split the country and anti-Ukrainian forces used the constitution to build an anti-democratic system of power. Now, they must defend Ukraine's role in the world. She was proposing a new national idea, she said, that would bring fairer standards and communication between people and government. People need to know about Ukraine's history and culture, but she believed that children today don't know enough about their own country. Regarding the language question, Tymoshenko said that if people want two official languages, let "them" learn Ukrainian, then she'll discuss it. She also called for a revival of Ukraine's spirituality. In closing, she said that there will be no grand coalition--she will not be in a coalition with "criminals" who don't see Ukraine as an

independent country. There are two options for BYuT. They will get 226 seats by themselves and form the government or they will form a coalition with OU-PSD. She closed by quoting both Nike "Just Do It" and Jonathan Livingston Seagull.

Other Speeches Spanned the Policy Spectrum

¶ 6. (C) The other BYuT speakers seemed arranged to each address a different aspect of the "breakthrough," although they were light on specifics. Pynzenyk spoke about improving Ukraine's economic standards and said that the 2005 Tymoshenko government, in which he served as Minister of Finance, was the most efficient in Ukraine's history. Yevhen Korniychuk--a former diplomat who took over the Social Democratic Party, the third party in BYuT, when his father-in-law Vasyl Onopenko left to become Chief Justice of the Supreme Court--looked uncomfortable addressing such a large crowd, but said that he would be involved in judicial reform and criticized the influence politics currently has in the judiciary. Deputy Rada Speaker Mykola Tomenko talked about getting rid of the myth that all political parties are the same by emphasizing that BYuT has had no one in the government since September 2005. He also talked about canceling immunity for parliamentary deputies. Foreign policy guru Hryhoriy Nemyria talked about European integration, although he said that it will be easier and more effective if Ukraine has good relations with its neighbors, especially Russia. MP Andriy Shevchenko, a former journalist, mocked Yanukovych for using a teleprompter during his speech. Former Deputy Prime Minister for Agriculture Ivan Kyrylenko quoted Lenin while talking about parlaying the trust of the people built while in the opposition into a victory on September 30.

Party Business was Straightforward

¶ 7. (SBU) The bloc now formally comprises three political parties--Tymoshenko's Batkivshchina, the Social Democratic Party, and PRP. At the beginning of the congress, the bloc elected a new presidium in order to include Reforms and Order into the party leadership, which is now Tymoshenko, her right-hand man Oleksandr Turchynov, Socialist defector and key Tymoshenko ally Iosip Vinskiy, PRP leader Pynzenyk, and head of the Social Democratic Party Korniychuk. The bloc also voted to give the political council the power to expel candidates from the list who are determined to be not treating their responsibilities seriously enough before election; after the election, however, only a bloc congress can expel MPs.

European Politician Calls for Orange Victory

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¶ 8. (C) BYuT also hosted Wilfried Martens, head of the conservative European People's Party, who also spoke at the Our Ukraine-People's Self Defense congress (reftel). He gave the same impassioned, pro-orange speech he gave at OU-PSD and said they hoped BYuT and OU-PSD would win on September 30. He also welcomed BYuT as a new observer in EPP. (Note. Shevchenko told us that BYuT had wanted to join a European political organization and had been trying to decide between the conservative EPP and the Socialist International. In the end, BYuT chose EPP because Socialist is a bad word in Ukraine right now and Tymoshenko wants to be in the "club" that includes Angela Merkel and Nicolas Sarkozy--a choice Shevchenko was glad to see. Clearly, ideology had little to do with Tymoshenko's decision. End note.)

Party List Shows Few Changes

¶9. (C) The BYuT party list is the most similar to its 2006 iteration of any of the three major parties. List slots were allocated with 350 for Batkivshchina, 50 for the Social Democrats, and 50 for PRP, so it heavily favors Batkivshchina

There are three new members in the top ten--Vinskiy, Pynzenyk, and Korniychuk, but two of the three 2006 top ten missing from the current list left politics completely, so really there is only one major change. It is clear that Tymoshenko values loyalty, placing Turchynov, Tomenko, and Vinskiy directly below her. She also has in the top ten Shevchenko, who covers the youth angle, Vitaliy Kurylo, an MP from Luhansk to cover the East, and Mykola Petruk, the Commander of the Ground Forces during the Orange Revolution who warned her about the impending attack by MOI troops on the Maidan protesters, to cover her Maidan credentials. The Brodskiy bloc is gone from the list, as is businessman Vasyl Khmelnitskiy, who joined Regions, but most of the big businessmen from 2006 are still on the list.

Shevchenko on Competition, Coalitions, and Ideology

¶10. (C) MP Andriy Shevchenko, number five on the new list, told Ambassador July 30 that BYuT internal polling had shown that the bloc's ratings had dropped in some central oblasts--including Kyiv, Cherkasy, and Sumy--and that BYuT was now neck and neck with OU. On the other hand, BYuT's standing had gone up in Ivano-Frankivsk and Zakarpattya, OU strongholds in 2006. There is no chance of avoiding fighting between BYuT and OU in the West and Center, although signing an agreement might help a little. He also warned that the democratic forces do not have a plan B, especially Tymoshenko, who is always so focused on plan A that when that does not go as planned, it is a disaster. (Note. He seemed to be implying that if the opposition does not win the election, there is little thinking as to what to do next. End note.) Shevchenko said that he had tried to develop a contingency plan in the spring 2006 in case Regions ended up in the government, but Tymoshenko forbade it--she spends so much time convincing people of her ideas, he said, that she tunes out alternatives.

¶11. (C) The best realistic outcome for the election would be BYuT and OU getting 51% of the vote and Tymoshenko becoming Prime Minister. However, he thought that even if the opposition wins a narrow majority, there was still a 50 percent chance that Our Ukraine would choose a coalition with Regions anyway, because Yushchenko could see a broad coalition as uniting the country, even if it only brought temporary stability. In addition, Shevchenko said that Yushchenko fears Tymoshenko might become president, but his thinking is flawed, because a Regions--OU coalition will actually boost Tymoshenko's chances in the next presidential election. Presidential Chief of Staff Baloha is working with the Akhmetov wing of Regions on a broad coalition--which Shevchenko thought might split OU and possibly Regions as well.

¶12. (C) Ideologically, according to Shevchenko, Tymoshenko had moved from left-center towards the right, but her campaign will be populist. Shevchenko himself is not a member of Batkivshchina and he was one of three BYuT MPs who did not vote to override presidential vetoes on the land moratorium and banking law. He said that he had started traveling around the country in June and had found that people were not ready to talk about the elections; they were disgusted with all politicians. No parties have new ideas, so NATO and Russian language will probably come up again.

¶13. (C) Comment. Shevchenko's comments echo what we have heard from OU-PSD leaders -- that the two democratic blocs

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see each other as the main competition in the election. This situation is likely to be exacerbated by the agreement the two have reached that gives the bloc with the most votes, the right to pick the prime minister, if they get a majority of

votes. However, such a strategy distracts attention away from trying to pick up new voters, especially in the center and non-Donbas east where disillusioned Socialist, and to a much smaller extent Regions, voters are looking for possible alternatives. Shevchenko's comments also indicate that at least one BYuT leader is realistic about the possibility of a broad coalition between Yushchenko and Regions, but his warning suggests that if it happens, Tymoshenko will be blindsided and without a plan to respond. End comment.

¶14. (U) Visit Embassy Kyiv's classified website:
www.state.sgov.gov/p/eur/kiev.

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